Final Master Thesis:

FARLINE: LAUNCH OF A NEW LINE OF FACIAL CARE PRODUCTS

Tutor: Pablo Martin

Adriana Gamez
Karla Martin
Juliana Scalco
INDEX
1. Executive Summary ................................................................. 1
2. Introduction ........................................................................... 1
3. Brief Description of the Current Situation .............................. 2
4. Analysis of determinants ....................................................... 3
   4.1. External Analysis .............................................................. 3
      4.1.1. Analysis Macroeconomic: PESTEL ......................... 3
         4.1.1.1. Political and Legal factors: .................................... 3
         4.1.1.1.1. Background .................................................... 3
         4.1.1.1.2. Business Plan: Farline ...................................... 4
         4.1.1.2. Economic Factors: ........................................... 7
            4.1.1.2.1. Demography: ............................................ 8
         4.1.1.3. Social and Cultural: .......................................... 10
            4.1.1.3.1. Information provided by the company ............. 10
         4.1.1.4. Technological: ............................................... 11
         4.1.1.5. Ecological Factors: ......................................... 11
5. Sectorial Analysis .................................................................. 12
   5.1. Trends ............................................................................ 12
6. Analysis of Micro Economy .................................................... 16
   6.1. Market ........................................................................... 16
   6.2. Competence .................................................................. 16
   6.3. Consumers .................................................................... 19
   6.4. Suppliers & Channel ...................................................... 20
   6.5. Other intermediaries ...................................................... 20
7. Internal Analysis .................................................................... 21
   7.1. Mission & Vision ............................................................. 21
      7.1.1. Mission: ................................................................. 21
      7.1.2. Vision: ................................................................. 21
   7.2. CANVAS ....................................................................... 22
   7.3. Management style/HHRR factors ..................................... 23
   7.4. Products Portfolio .......................................................... 24
7.5. Costs Evolution ........................................................................................................... 29
7.6. Price .............................................................................................................................. 33
7.7. Segmentation .................................................................................................................. 33
  7.7.1. Demographic segmentation .................................................................................... 34
  7.7.2. Psychographic Segmentation ................................................................................. 34
  7.7.3. Geographic segmentation ....................................................................................... 35
7.8. Communication ............................................................................................................. 35
7.9. Distribution ................................................................................................................... 37
7.10. Positioning .................................................................................................................. 37
8. SWOT Analysis ............................................................................................................... 39
9. Marketing Objectives: ..................................................................................................... 40
  9.1. Awareness of the New Facial Line ............................................................................... 40
  9.2. Lead Generation ......................................................................................................... 41
    9.2.1. How will the Lead Generation Process will be: .................................................. 41
10. Marketing Strategies ...................................................................................................... 43
  10.1. Off-line Actions for Capturing and Loyalty ............................................................... 43
    10.1.1. Sample kits will be provide in a specific magazine according to
            Farline’s target market ................................................................................................. 43
    10.1.2. Sample kits, in Cofares’ retailers, to customers who buy facial care
            products including Farline and other brands. ......................................................... 45
    10.1.3. On-line Actions for Capturing and Loyalty ......................................................... 46
      10.1.3.1. Facebook ........................................................................................................ 47
      10.1.3.2. Instagram ...................................................................................................... 49
      10.1.3.3. Landing page .................................................................................................. 50
      10.1.3.4. SEO and SEM ............................................................................................... 53
        10.1.3.4.1. Content for Blogs ...................................................................................... 53
        10.1.3.4.2. SEO ......................................................................................................... 54
11. Action Plan .................................................................................................................... 55
  11.1. Action Schedule ....................................................................................................... 55
12. Financial Plan ................................................................................................................ 56
  12.1. Marketing budget ...................................................................................................... 59
13. Controls .......................................................................................................................... 59
  13.1. Define KPIs & Conversions ...................................................................................... 59
13.1.1. Leads .......................................................... 59
13.1.2. Pages/Visits ......................................................... 60
13.1.3. Bounce Rate .......................................................... 60
13.1.4. New Visitor: .......................................................... 60
13.1.5. Sessions: .............................................................. 61
13.1.6. CTR ................................................................. 61
13.1.7. NPS ................................................................. 61
14. Conclusions .............................................................. 62
Illustration Index:

Ilustración 1 Variación GDP (%) ................................................................. 7
Ilustración 2: Population of Spain in 2017, by Gender ..................................... 8
Illustración 3 Map of Spain ........................................................................ 9
Illustración 4: Purchase on Pharmacies in Spain .................................................. 10
Ilustración 5: Percentage of innovative companies 2014-2016 .......................... 11
Ilustración 6: Preference of Customers ............................................................ 13
Ilustración 7 Percentage similar of Farline Cosmetic Health Care Products .......... 14
Ilustración 8: Importance of Personal Care and Cosmetic Products in your Daily Life (Male) ................................................................. 15
Ilustración 9: Importance of Personal Care and Cosmetic Products in your Daily Life (Male) ................................................................. 15
Ilustración 10: Organization Chart ................................................................. 24
Ilustración 11: Farline Portfolio ..................................................................... 25
Ilustración 12: Farline Portfolio ..................................................................... 26
Ilustración 13 Farline Portfolio ..................................................................... 26
Ilustración 14 Farline Portfolio ..................................................................... 27
Ilustración 15 Farline Portfolio ..................................................................... 29
Ilustración 16: Farline New Line ................................................................. 30
Ilustración 17: Tag Details .......................................................................... 31
Ilustración 18: Farline New Line Facial Care Products ..................................... 32
Ilustración 19: Macro- Segmentation .............................................................. 34
Ilustración 20: Facebook Profile Farline ........................................................ 36
Ilustración 21: Awareness of Brand ................................................................ 38
Ilustración 22: Mapping Positioning .............................................................. 38
Ilustración 24: Lead Generation Steps ........................................................... 41
Ilustración 25: Lead Generation Funnel ......................................................... 42
Ilustración 26: Lead Generation Strategy ....................................................... 42
Ilustración 27: Magazines Demand ............................................................... 44
Ilustración 28: Purchase of Skin Care Products ............................................ 46
Ilustración 29: Use of Social Media ............................................................... 47
Ilustración 30: Why do users follow brand on Social Media? ......................... 49
Ilustración 31: Average lead-generation conversion rates ............................... 51
Ilustración 32: Landing Page ........................................................................ 52

Table Index

Tabla 1 CANVAS ........................................................................................... 22
Tabla 2: Swot Analysis ................................................................................. 39
Tabla 3: Action Schedule ............................................................................. 55
Tabla 4: Financial Plan ................................................................................. 56
Tabla 5: Marketing Budget One Year ............................................................. 59
1. Executive Summary

Over the years people have become more conscious about skin care and how good and healthy skin looks to others. Farline which is a brand owned by Cofares (pharmaceutical distributor company) focuses on skin care products for the many. Their goal is to create quality products that will be affordable for everyone who look after their skin without worrying of prices being too high. This year, 2019, Farline has decided to change the brand image of the facial line by re-launching the same products but with a different look. They do this every five to six years not only for publicity but for customer acquisition. Since there are many changes that Farline has to go through in order to reach their goal, we have come up with a marketing plan that will help them reach their objectives.

As a leader on skin care products in Parafarmacias (pharmacies) in Spain, their main objective is not focus on generating sales. They have a high market share in the industry, and as we have seen after evaluating the company’s expectations, here is the proposal which is based on creating awareness of the new facial line and generate leads.

2. Introduction

Nowadays, customers are used to seeing change and accepting it in a different way than 10 or even 5 years ago. One definition for this could be innovation. Even though people are not consciously thinking of getting and purchasing the most innovative products, this is what actually happens. It has become a habit of today’s generations to like and buy updated products and services that will meet their expectations. Innovation does not necessarily means added value to those products or services, it could mean how they are perceived from the customers. In the following paper, there will be a description of how Farline can reach their objectives by having a strategic marketing plan that will not only buzz sales but awareness of the brand.
As most companies and people believe, sales are the key factor of brands in order to survive in a competitive world like todays. However, this pattern has been changing over the last years since customers are focusing on customer experience and satisfaction rather than just buying a product for need purposes. Based on this behaviour, the proposal that we are sending to Farline is to focus on creating awareness of the brand and generating new leads that will eventually end up on sales. The paper will be divided into three main sessions. Analysis: including external and internal factors that will basically suggest how the project will begin with. The Proposal: mentioning marketing objectives, marketing strategies, and marketing plan. Results: financial information based on previous and following years to come.

3. Brief Description of the Current Situation

As of today, Farline holds a standard and simple marketing plan that have been working for them until now. Technology and e-commerce is changing businesses today, and that is where all companies should focus on. Farline, which is owned by Cofares, only has one channel of sales, pharmacies which distributor is Cofares. Cofares is a pharmaceutical distributor company in Spain with a very high market share. Since there is an agreement from both companies, Farline is only allowed to sell on these pharmacies. Even though they will like to sell online or in other pharmacies/stores, there isn't the possibility just yet.

Huge companies like Amazon have contacted Farline to propose the idea of having Amazon as a selling channel for the company. Farline has recognized and realized the potential it has on the market and this is one of the reason they will like to have a marketing plan that will create awareness of the brand offline as well as online.
4. Analysis of determinants

4.1. External Analysis

4.1.1. Analysis Macroeconomic: PESTEL

When the study of macro environment is carried out, we have to observe a number of factors that can affect the company's environment. With the PESTEL analysis, we can clarify important facts such as political, economic, social, technological, environmental and legal factors to evaluate the growth or decline of the market, as well as the difficulties that the company will face. To do this, we also must take into account the aspects that intervene in our analysis with the purpose of intuit their trends and how they affect these to the reality of the company.

4.1.1.1. Political and Legal factors:
4.1.1.1.1. Background

First we can start by analyzing the way Spain rules and government takes place. The political system that Spain carries out is parliamentary monarchy were the king of Spain, Felipe VI, serves as head of Spain.

Regarding the division of powers we can highlight: the executive power resides in the Council of Ministers, where Mariano Rajoy until May 30th presided and acted as head of government representing the Popular Party. The latest news that emerged last June 2018, Pedro Sanchez has been named president of the Government of democracy after the approval of the motion of censure against Mariano Rajoy in the Congress of Deputies as a result of the condemnatory sentence of the Gürtel case.

Also we can analyze previous events that may affect our situation. The last months of 2017 have been marked by the unprecedented political crisis unleashed in Catalonia. The new political
course is also marked by events in Catalonia. As we know the independentistas won the elections of December 21 and are the majority in the Parliament, but the procedural situation of Carles Puigdemont and the intentions of the separatist majority for the future increased uncertainty among the population.


Some examples of political factors are environmental regulations and protection; tax policies; commercial, international regulations and restrictions; consumer protection; law of application of the contract; employment laws; government organization; regulation of competition; political stability; security.

In the case of a pharmacy shop, it is mainly affected by factors related to the regulation of the retail sector. As Farline only distribute in the Spanish and Portugal territory, their activity can be affected by the variations of the state regulations or the specific autonomic regulations. These regulations control certain aspects such as forms and conditions of the exercise of commercial activity, prices, commercial hours, sales, special sales, consumer rights, competition. The activity of pharmacies, as well as other markets, may also be affected by the VAT increases that would result in an increase in the final sale price.

Other legal factors that may affect the economic activity of the company are the different labor reforms that may affect the labor costs of the company.

The laws that may affect the company could be:

- **Legislation UE**
  Consumers of cosmetic and personal care products are protected by strong requirements laid down in the Cosmetics Directive to ensure the safety of cosmetics and by a strong commitment by manufacturers to utilize the best science and latest available research data to
substantiate the safety of a cosmetic product before it is placed on the market.

Some cosmetic products deserve special attention from the regulators due to their scientific complexity or higher potential risk for the consumers’ health.

In view of safety concerns expressed in relation to the use of hair dye products, the Commission put in place an overall safety assessment strategy for hair dye substances with the aim to regulate them within the framework of the Cosmetics Directive.

The efficacy of sunscreen products and the basis on which such efficacy is claimed are important public health issues. Therefore, all UV filters used in cosmetic products placed on the EU market have to be assessed by the Scientific Committee for Consumer Safety and authorized by the Commission.

Differences in regulatory frameworks can be particularly significant for so-called ‘borderline products’. The term ‘borderline products’ refers to those products that at first sight might be difficult to classify into one or another product category, either in the same country or in different countries.

The Cosmetics Regulation contains provisions on the use in cosmetic products of substances classified as carcinogenic, mutagenic or toxic for reproduction (CMR substances). The general principle laid down in Article 15 of the Cosmetics Regulation is that substances classified as CMR substances of category 1A, 1B or 2 are prohibited for use in cosmetics products. Derogations from this general rule are possible
only subject to the conditions laid down in the above-mentioned article.¹

- **Art. 101 Law on Guarantees and Use of Medicines and Health Products: Infringements of Cosmetic Products and Personal Care Products²**


  The purpose of the Royal Decree is to define cosmetic products, determine the technical-sanitary conditions they must meet, their sanitary control, the requirements to be met by the facilities where they are manufactured and the requirements for importing products from third countries, the regulation of labeling and advertising, as well as inspection, infringement.³

- Royal Decree for the Online Sale of Medicines 870/2013 of November 8, 2014⁴


³ [https://www.procomer.com/uploads/downloads/cfabe16bo448f4a18fa8ae7e3667daa63d27203d.pdf](https://www.procomer.com/uploads/downloads/cfabe16bo448f4a18fa8ae7e3667daa63d27203d.pdf)

4.1.1.2. Economic Factors:

- Facing a decrease in GDP

*Illustración 1 Variacion GDP (%)*

We can observe the huge fall of the Spanish gross domestic product at the beginning of the economic crisis. After 2009, the year in which it bottomed out, the Spanish GDP has continued to show negative data until 2013 where it can be observed abrupt growth and it shows a stable behavior. If this behavior continue, the pharmacy industry will not be affected. However, if it decreases, there will be problems such as unemployment and less cash flows in the market which will make the market not optimistic.

- Another possible factor that could affect the company is the increase of contraband in cosmetic products. An article that was exposed in 2013 in the newspaper ABC Spain, indicates that it is the fourth country with the most contraband in the European Union.

- The trends of the market, the purchasing of facial products. This affects positively our company because sales can growth.  

---

5 https://www.datosmacro.com/pib/espana
4.1.1.2.1. Demography:

When analyzing the demographic of each country the most relevant factors that are needed to be taken into consideration are; age, population, distribution and vital statistics. Spain according to Statista, a provider of market and consumer data, in the year of 2017 had 46.5 million inhabitants, being the 5th country with the higher population rate in the European Union. Considering the population by gender, it can be noticed a slight difference, 23.69 million are females and 22.83 millions are men. Having a larger female population reinforces the need for a market centered in the women’s needs and desires.


As for the age, Spain is considered an aging country. The population in the year of 2016 according to Statista statistics, were 14.7% between 0 to 14 years old, 66.06% from 15 to 64
years old and 19.17% represent the ancient population from 64 years old to higher. Even though the society is aging the personal care market for facial creams has not been affected and has sensed an improvement.

Regarding population distribution, Spain has 17 autonomous communities. Andalusia, Catolonia, Community of Madrid and Region of Valencia are the four communities with the highest population density summing up to 27.26 millions and representing 58.5% of the country populace. Galicia, Castille and Leon, Basque Country, Canary Islands, Castile-La Mancha, Murcia, Aragon, Balearic Islands, Extremadura, Asturias, Navarre, Cantabria, La Rioja, Ceuta and Melilla represent the remaining 41.5% of population.

*Illustration 3 Map of Spain*

Source: [https://www.bing.com/images/search?q=mapa+de+spain&FORM=HDRSC2](https://www.bing.com/images/search?q=mapa+de+spain&FORM=HDRSC2)
4.1.1.3. Social and Cultural:

Over the past years, the Spanish market has suffered significant changes to its buying habits. The retail market since the year 2015 started to grow and shown signs of an expanding economy; therefore the Spanish population buying habits regarding the cosmetics and personal care industry has increased. In the graph below we can see the social demographic profile of the Para pharmacy buyer in Spain, 82% are women and the average age is 44,2 years old in Pharmacies there is a increase in the male percentage, coming to 31% and having a slight increase in average age, to 44,8 years old.

Illustration 4: Purchase on Pharmacies in Spain

Source: https://www.comprar-farmacias-urbagesa.es/farmacias-listado/Madrid/Madrid?gclid=CjoKCQiA-JXibRCPARlSAGqF8wWCeH6LkbtHzqyZpWnZEVBFyJ9xH6pWAJ5j46LYjIjL8InZzrwj0oaAj_NEALw_wcB

4.1.1.3.1. Information provided by the company

According to Cosmetic Europe Consumer Insights 2017, personal care products are very important to the customer daily lives, that 68% of the shoppers who participated in the survey feel that cosmetics and personal care products are very important of how they are perceived by others, such products are considered very important on the daily routine. Also innovation within the products is a very important tangible asset for products. European women are more susceptible to experiment with unfamiliar skin care brands and search for personal care brands that are efficient and have good quality products.
4.1.4. Technological:

According to the study presented on INE, in the period between 2014 and 2016 the most innovative companies fall under the Pharmacy sector. As it is seen in the graph below, this sector has a percentage of 77.3% comparing to other industries such as Gas industry with a 71.4%, transport 65.9%, aeronautics and spatial construction 64.5%. Based on this study, it is deduced that internet plays an important role on the pharmacy industry, and it will positively contribute with the development of the company.

Illustration 5: Percentage of innovative companies 2014-2016


4.1.5. Ecological Factors:

In today’s world, many industries are seeking to produce or offer services that are environmental friendly. The skin-care and beauty industry is one of them, and they are
constantly coming up with green formulations that will less influence the environment in a negative way.

Here are some factors that Farline follows to minimize the environmental impact:

- Less products waste comparing to other giants in the industry.
- Farline supports the environment by providing a guide of how to proper recycle different products.
- One of Farline’s values is Social Responsibility.
- Eco-friendly packaging.  

5. Sectorial Analysis

5.1. Trends

Nowadays people are increasingly aware of what they put on their skin or hair, and that explains why the natural cosmetics sector is gaining more and more weight.

According to a study made in 2017 about the costumer’s insights, consumers have exposed that cosmetics and personal care products matter: 71% European people said they are important or very important in their daily lives. This study also showed consumer’s value good health and personal hygiene the most; and placed cosmetics and personal care products as key to achieving and maintaining them. Consumers consider these most important to their quality of life - even above financial stability or a rewarding job - reflecting an emerging emphasis on well-being across society.

---

https://www.cofares.es/rse
In addition, this study in order to have more understanding about preference of customers they asked what people consider products as a cosmetic care products and the graph below shows their answers.

*Illustration 6: Preference of Customers*


If based on the information shown above, it can be seen that those products, which are considered as cosmetic products, match the products offered by the Farline Company.

If we take a closer view of the display of cosmetic market especially on Spain, as shown in the table below, it can be seen that every year skin care has held the largest share of the market, and it has been growing in 2.4% average. Accounting for 28.3% of the Spanish cosmetic market in 2016.
Male and female customers value in different ways the product care as it is shown below. When focusing on only products that Farline offers, its shows that female consider skin care products more important than male (58% more). It can be concluded that female customers are more dependent on the skin-care market than male, which shows a red flag on the attention that the industry provides to men.
Illustration 8: Importance of Personal Care and Cosmetic Products in your Daily Life (Male)


Illustration 9: Importance of Personal Care and Cosmetic Products in your Daily Life (Male)
6. Analysis of Micro Economy

6.1. Market

The skin-care market in Spain has been growing since the economic recession, which highly affected the beauty and personal care market. When talking about the market of cosmetics and perfumery, it exceeds 9.3 billion € in Spain. A study by us.spain.business.com the Beauty and Personal Care Industry in Spain generates direct and indirect employment to a total of 39,650 in 2015. In order to make the market sustainable, business competitiveness is essential due to the vulnerability of beauty market sales gains or losses in Spain.

In the country’s beauty market, there about 300 companies which 60% of them are small-medium sized enterprises. Most spanish beauty businesses follow a familiar structure that leads to private labels: those manufactured or provided by one company for offer under another company’s brand. Nowadays, Spain is considered to be one of the most prime beauty markets in the world thanks to their quality and wide range of products. The Spanish demographic compromises a higher population over the age of 65, and it will continue this way for the next years. On the other hand, the number of youth (15 to 25 years of age) has been declining since 2013. Spanish beauty and personal care market has been impacted positively by having a high number of people of older demographics. As for today, a demand for skin-care and natural cosmetics products is growing in the Spanish market, as consumers are choosing to make facial care and beauty products a focus point in their purchase.

6.2. Competence

- La Roche-Posay:
Created in 1975 under the name of La Roche-Posay Laboratoire Dermatologique which mission was to develop skincare products by using unique thermal water. Up until now, the brand has develop multiple products such as:

- Sunscreens
- Face moisturizers
- Anti-aging
- Makeup

La Roche-Posay is well-known to be committed to dermatology. It offers a variety of dermatological skin care products which are made by partnering with top dermatologists. The company’s today mission is a better life for sensitive skin and to provide quality products for those who need it.

- Bella Aurora:

This beauty brand was born in the city of Aurora, USA in 1980 by the laboratory Stillman & Co. and in December 1913 made its first appearance in Spain. For over 100 years Bella Aurora has passed it beauty secrets generation to generation and its recognized to be the only brand specialized in treating blemished skin. The brand focuses on the following product lines:

- Sun protection
- Anti-aging
- Moisturizers
- Nourish

Bella Aurora primary objectives and mission is to work for the heart so that consumers feel good about the company’s services and products and to better the lives of those who believes in Bella Aurora philosophy. slogan is “For beauty and freshness, Bella Aurora every day!”
Eucerin known and associated with groundbreaking innovation in skin care formulas was founded in 1882 in Hamburg by Paul C. Beierdorf. The company has been revolutionising the skin care industry for over a century and is one of the world’s most trustworthy brands. Their wide range of products supports their commitment to service all skin types.

- Cleansing-tonning
- Ageing Skin
- Sun protection
- Moisturizers
- Hypersensitive Skin

The company will continue to make a great impact in the skin-care industry by the dedication to advanced research and superior product development.

Vichy Laboratories

Vichy Laboratories has served the skin industry for over 80 years. Founded by Dr. Haller who strongly believes that skin health is the true source of beauty, was one of the first to develop a line of dermocosmetics powered by mineral-rich water. The following product lines are key to the company’s successful growth.

- Face Serum
- Facial Cleanser & Toner
- Moisturizers
- Face Masks
- Makeup
- Sunscreen
- Anti-aging
Vichy Laboratories have 3 different commitments: reduce the consumption of raw materials, respect the fragility of the planet, and recycle all that the company borrows from the planet. Each commitment supports the company’s goal which is “advancing beauty without damaging our planet is our responsibility.” Vichy will continue to change the lives of women by developing quality products that will help each woman reach their ideal skin, at every life stage.

- Neutrogena

This giant in the skin care industry was founded in the 1930’s in Zurich by Emanuel Stolaroff under the name of Natone. Since then, the company has grown worldwide by distributing their products in more than 70 countries. Neutrogena specializes in different product lines such as:

- Cleansers & Toners
- Moisturizers and Serums
- Masks
- Aging Skin
- Sunscreens
- Makeup

Neutrogena best known to be the number one dermatologist recommended skincare brand has earned respect and credibility which led to the its acquisition by Johnson & Johnson in 1994.

6.3. Consumers

- Women (25-85 years of age): as it is mentioned in the market session, there is a larger population of older people in Spain and that impacts the skin care and beauty market in a positive way.
Men: Even though men spend less money and time on skin care products and facial care, the increasing demand has made an impact on beauty companies. Thanks to this impact, companies are now creating product lines specifically for men since men do not have a tendency to buy products that are usually marketed for women.

Youth (12-25 years of age): the youth market takes an important size on the facial care industry not only because consumers are seeking for natural products for appearance, but also to take care of the environment.

6.4. Suppliers & Channel

There are many distribution channels in Spain, and the fastest growing distribution method is in pharmacies. Based on Global Healthcare Technologies Team, this distribution method has increased from only having 11% of sales in 2011 to 21.74% of sales in 2015. However, mass market is still the strongest distribution channel with a 47.22% of cosmetic sales in the country. Other channels are also considered in the distribution channels like selective vendors with a 20.5% of sales, direct sales with 3.5% of sales, and beauty salons with 1.30% of sales. To emphasize more on the fastest growing distribution channel, the need of consumers for both cosmetic and pharmaceutical skin-care products has contributed with the increase of sales in “pharmaceutical” or “parafarmacias” as is referred to in Spanish.

6.5. Other intermediaries

Farline does not have other intermediaries to take into account. The company only manufactures to Cofares which is the largest medicine and sanitary products distributor in Spain.
7. Internal Analysis

7.1. Mission & Vision

7.1.1. Mission:

Farline is Cofares' own and exclusive brand conceived to offer a wide range of pharmacy products and pharmaceutical specialties able to cover the needs of the final consumer.

7.1.2. Vision:

Provide the partners of Cofares with the necessary tools to carry out their activity, helping them to face challenges together, always taking as a reference that, for the cooperative, the strength of the Pharmacy Office is and will be its main reason for being.
## 7.2. CANVAS

**Tabla 1 CANVAS**

<table>
<thead>
<tr>
<th><strong>Key Partners</strong></th>
<th><strong>Key Activities</strong></th>
<th><strong>Value Proposition</strong></th>
<th><strong>Customer Relationships</strong></th>
<th><strong>Customer Segments</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Cofares</td>
<td>- Manufacturing</td>
<td>- Quality products</td>
<td>- Long-term</td>
<td>- Women (25-85 years old)</td>
</tr>
<tr>
<td>- Aposan</td>
<td>- Distribution</td>
<td>- Affordable products</td>
<td>- Agreement with</td>
<td>- Men</td>
</tr>
<tr>
<td>- Farline Farma</td>
<td>- Marketing</td>
<td>- Variety</td>
<td>Government &amp; Aecosan</td>
<td>- Youth (12-25 years old)</td>
</tr>
<tr>
<td>- Aecosan (Agencia Espanola de Consumo, Seguridad Alimentaria y Nutricion)</td>
<td></td>
<td>- Safety</td>
<td>- Manufactures</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>- Durability</td>
<td>- Cofares</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Key Resources</strong></th>
<th><strong>Channels</strong></th>
<th><strong>Cost Structure</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Agile &amp; Efficient Manufacturing system</td>
<td>- Cofares Pharmacies</td>
<td>- Research and development</td>
</tr>
<tr>
<td>- Talented employees</td>
<td></td>
<td>- Constant Innovation</td>
</tr>
<tr>
<td>- Cofares Brand</td>
<td></td>
<td>- Sales &amp; Marketing</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>Revenue Streams</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Sale of Products</td>
</tr>
<tr>
<td>- Merchandise</td>
</tr>
<tr>
<td>- Advertising</td>
</tr>
<tr>
<td>- Free</td>
</tr>
</tbody>
</table>

Source: Own elaboration
7.3. Management style/HHRR factors

Farline is a company that uses the democratic style of management. The democratic style is also known as participative leadership or shared leadership, although the managers will make the final decision, this style supports members of all stages of the company to engage and take a more participative role in the decision-making process. It invites employees to share ideas and opinions creating a more creative, honest and healthy environment.

Farline now has 54 employees divided into thirteen categories. The company has one General Manager that supervises all the company operations and is the link between the executives and the company. Under the general manager, the company divides by five main categories, technical director, purchase and stocks, marketing and trade, communication and Sales.

At the Marketing department, the team is built by 4 employees that handle all that matters regarding brand management, trade marketing and market research for business analysis. In addition, Farline has an employee dedicated full time to communication and social media management. In the commercial area, the company counts with a director that oversees three commercial assistants and three commercial managers. These are responsible for the 33 agents the company has to keep in contact with the pharmacies.
Illustration 10: Organization Chart

Source: Farline information provided

7.4. Products Portfolio

Farline portfolio can be divided by Farma y complementos; Actividad y Dulcería; Cosmética and Óptica. Each category holds different products related to the field. In Farma y complementos, Farline offers a range of products from medicines to flu and cold, these are specially sold only at pharmacies and parapharmacies, energy and defense of the immune system to sleep and relax vitamins.
Illustration 11: Farline Portfolio

Source: Farline information provided
At the Activity line, consumers can find products that help to improve the performance with a full range of collagen and post-exercise gels.

Ilustración 12: Farline Portfolio

Source: Farline information provided

At the Dulcería consumers can find a variety of sweets of vitamin C without gluten, lactose, and eggs.

Ilustración 13 Farline Portfolio

Source: Farline information provided
The Cosmética family is one the most significant line range of Farline, and it offers very high-quality cosmetic products for body, facial and hair care. It includes bath gels; body moisturizers for specific needs; an entire line hypoallergenic for atopic skin; facial creams and washes for distinct needs; hairline from shampoo to hair loss pills. Also in the Cosmética, the consumer can find sunscreen options for kids and adults and products of oral care.

*Illustration 14 Farline Portfolio*
Lastly, the Farline Óptica line offers a complete range for eye care that includes unique solution, ophthalmic wipes, moisturizing drops with hyaluronic acid and a wide range of presbyopic and sunglasses.

Source: Farline information provided
7.5. Costs Evolution

The costs evolution Farline faces with the re-branding of the facial line, it is not significant to the customers. Just as a reminder that the products that Farline offers are accessible to the end consumer. Below is a photo of the previous looks the brand was offering.
After a long analysis of the products sold, Farline has decided to change the looks of the packaging as well as containers in order to have an appropriate look and match between the brand and products sold. This line average cost was 7.50 euros per product. And the range on the costs were between 5.00 euros and 12.00 euros for the exclusive line of “Rosa Mosqueta and the Premium Facial Lotion.”

It can be seen that there is not uniform design within the facial line, and there are some difficulties to read what the product is offering since the reading is vertical for some of the products. The communication style of the products are not covering the same priorities within the same category. The end consumer cannot easily identify the benefits of each products; therefore, the customer most likely will decide to choose another brand instead of Farline.

The new look the brand is trying to approach is to be fresh and attractive to the customers. There are three main points Farline is focusing on with the re-branding of the facial line. First one is the category the product falls under (Colageno, Rosa Mosqueta, Anti-Age), the following one is to differentiate morning and night creams/facials with a symbol, so it is easier for the customer to identify it. At last but not least, on the packaging as well as on the

Source: Farline information provided
container, there will be written the benefits of each product. There are some extra points such as multiple languages and active ingredients section just to position the brand at a higher quality and broader audience.

*Ilustración 17: Tag Details*

![Tag Details Image]

Source: Farline information provided

It terms of cost evolution, Farline will only increment the final price at a rate of 5%. This decision was taken because the product offer in terms of quality and quantity will be the same. The only change is the look of the brand, so I will look more appealing to the customers. Now, the average cost will be 7.875 euros per product. In addition, the range costs will be between 5.5 euros and 12.60 euros including those of higher category. Below is the new look of the facial line of Farline.
Illustration 18: Farline New Line Facial Care Products

Source: Farline information provided
7.6. Price

Regarding the price, Farline commercial policy is based on a very competitive manufacturing costs, so that each product has a minimum internal margin of 40%. With this, Farline mark a sale price to the pharmacy (PVF) on which they recommend applying a margin of 35-40% to reach the PVP VAT of the product.

The policy of supply and prices, Farline PVPs in the market, occupy a position of medium or low average line in order to give an alternative to the consumer. In this way, the pharmacy can offer a product of very high quality and good price and compete with products from the supermarket or mass consumption channel. This allows customers to be loyal both, for the products that are offered and for the attention given by the pharmacy to its customer.

7.7. Segmentation

As we know market segmentation is a marketing term referring to the aggregating of prospective buyers into groups or segments with common needs and who respond similarly to a marketing action. Market segmentation enables companies to target different categories of consumers who perceive the full value of certain products and services differently from one another.

The organization of the brand portfolio reflects the type of market segmentation chosen by the company. Based on the competition we already know for example Loreál bases its distribution channels on geographic, demographic, psychographic, benefits sought and behaviors. Having the same bases on the type of segmentation that Farline use, we will segment our market on
7.7.1. **Demographic segmentation**

- Farline first segmented the population into different sexes as they thought their products were a “combination of low prices and natural ingredients as part of their beauty culture”. Their product specially catered to women of any ages, taking into account the variety of products, which are addressed to different ages. The age range is from 20 to 65 years old. Farline fragment in turn into three: 20 to 35; 35 to 50; 50 to 65.
- Revenue: Target: the level would be ABC1 and C2 as a regular customer.

7.7.2. **Psychographic Segmentation**

- Interests: its beauty and its aesthetics.
- Farline segmented into the way of thinking and behavior from the older, more conservative and younger, more impressionable generations who developed a different view.
- Taking into account the needs of our customers, we can observe on the graph below our customer needs, the characteristics we offer and our customers.

*Illustration 19: Macro-Segmentation*

Source: own elaboration
7.7.3. Geographic segmentation

- Farline focuses on the geographical distribution of only pharmaceutical centers that belong to the Cofares family.

7.8. Communication

Farline’s communication is made with focus on the web page of the company. The website contains all the information regarding the lines of products, with the description and composition of each product. The communication is clear and centered on the products. Also promotes the blog, which has a weekly update about seasonal topics that resonate with consumers, for example, a specific face and body lotion for winter. Additionally, invites clients to subscribe to the newsletter to receive the latest information about the brand.

On social media, Farline has a Facebook account called @farlinelaboratorios since April 2015 that holds now 16,340 likes and followers. For the page, monthly planning of publications has been developed, with careful attention to the most compatible products with the season and institutional information. Regarding the visual information, it follows the same line as the website, bright, same color pallet and joyful images. The frequency of publications is almost daily and holds an average of 30 likes per post and 8 comments. Now Farline in not working with Facebook Ads and promotions on the page.
Ilustración 20: Facebook Profile Farline

¡Atent@s, papis y mamis! A vosotros, preocupados progenitores, que lo habéis probado TODO para cuidar la piel atópica de vuestros retoños os presentamos dos nuevos productos de FARLINE:

La crema corporal piel atópica intensiva y la crema facial piel atópica.

Probadlo y veréis cómo se calma su piel y queda suave e hidratada. 😊 #quéalívio!

Ver Tradução

Source: Facebook page, own elaboration
The other social media that the brand carries is Instagram, at the name of FarlineLabs, the brand holds 3,412 followers. The regularity of publications is twice a week with the same information as the Facebook page. The average number of likes per post is 46 and two comments.

The brand takes special care in answering nearly every comment made by clients in each social media, this way creating a better engagement with the consumers at both pages. Notably, the brand does not work with Facebook Ads or promote posts on Instagram.

7.9. Distribution

The Farline brand belongs to COFARES, Cooperativa de Distribución de Medicamentos y Productos Sanitarios. Therefore the distribution is made by COFARES own delivery channels, they are leaders in pharmaceutical distribution with 26.94% of the national market share, and 64% of the Spanish pharmacies.

7.10. Positioning

Farline is the brand of hygiene and personal hygiene, which guarantees the highest quality in all its products at a price accessible to all pockets and with a wide range that, covers all the needs of your day-to-day life. Farline has made an effort to adapt to the demands of its consumers by developing new lines of specific care such as Farline anti-aging treatments that include the latest generation of molecules used in the field of pharmaceutical cosmetics. Some examples such as hyaluronic acid, or the range of Farline products for eye care, will give the greatest guarantees of efficacy and safety in all its components.

When we talk about the position of a brand in market, we are talking about a great tool to visualize competitive positioning and map developments of time. Based on a study made by Cofares on Dec. 2012, we can see the known of the brand of Farline on the direct market.
We can see that an average of 98% of the people know Farline as a brand of cosmetics (care).

Also based on a tool name the Mapping we can see that the brand is seen as high quality product but low in price.

*Illustration 22: Mapping Positioning*
8. SWOT Analysis

Tabla 2: Swot Analysis

<table>
<thead>
<tr>
<th>Strengths:</th>
<th>Weakness:</th>
</tr>
</thead>
<tbody>
<tr>
<td>o Years of experience in the cosmetics sector and satisfactory brand image</td>
<td>o Distribution closed to Cofares pharmacies.</td>
</tr>
<tr>
<td>o Complete portfolio of brands that can meet the needs and expectations of</td>
<td></td>
</tr>
<tr>
<td>the client</td>
<td></td>
</tr>
<tr>
<td>o Increase brand awareness</td>
<td></td>
</tr>
<tr>
<td>o Diversification of risk thanks to the variety of brands</td>
<td></td>
</tr>
<tr>
<td>o High profitability</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Opportunities:</th>
<th>Threats:</th>
</tr>
</thead>
<tbody>
<tr>
<td>o Concern of young people in facial care.</td>
<td>o Increase in legal restrictions in the</td>
</tr>
<tr>
<td></td>
<td>field of dermocosmetics</td>
</tr>
<tr>
<td>o Increased aesthetic concerns on the part of consumers</td>
<td>o Distribution channel not accepted, such</td>
</tr>
<tr>
<td></td>
<td>as magazines.</td>
</tr>
<tr>
<td>o Growth on distribution channels due to the increase of brand awareness</td>
<td></td>
</tr>
<tr>
<td>o Excellent use of digital channels such as facebook and Instagram</td>
<td></td>
</tr>
</tbody>
</table>

Source: Own elaboration
9. **Marketing Objectives:**

We have 2 different objectives we want to achieve during this project:

9.1. **Awareness of the New Facial Line**

Our idea of increasing the awareness of the new facial line of Farline will be combined with the new re-launching facial line products and the new creation of advertising. There will be two different purposes on the advertising part. One of them will be to inform and provide insights of the new facial line, and the second part will be the reminding part. As we know the informative part of advertising will help us introduce Farline’s new line in order for customers to see the design, to have brand recognition, brand recall and feel identified with it when making purchasing decisions. The brand awareness that we want to create will make the bundle of positive associations that will reside in customer memories. We know that consumers do not normally put much thought into the cereal brand they purchase. They select it from past experiences among familiar and favorite brands that are stored in memory when shopping, and that’s why advertising exposure is the key, if not the only, experiential driver.

The other one will be the reminding part. Since there are many loyal customers of Farline’s products, we still have to work on reminding the customers how good the products are plus letting them know that the quality and that production of the goods have not changed. It is only the launch of the same products but with a different look: redesign, rebuild and rebranded. We want to remind them about the functionalities of Farline’s products, the usability and the benefits of purchasing it.
9.2. Lead Generation

The other essential objective that we want to achieve is lead generations. This lead generation will be done by using the right techniques of attracting and converting strangers into prospects. The idea is to capture all those potential customers who have shown interest in Farline’s new line into final customers. We want to take these prospects into the very last step of the purchasing funnel.

Illustration 23: Lead Generation Steps

Source: https://blog.hubspot.com/marketing/beginner-inbound-lead-generation-guide-ht

9.2.1. How will the Lead Generation Process will be:

→ First, a visitor discovers the new line of Farline Facial Care through one of the marketing channels, such as our website, blog, or social media page. (Facebook or Instagram).
→ Visitors clicks on the call-to-action (CTA) — an image, button, or message that encourages website visitors to take some sort of action. The CTA takes that visitor to our landing page, which will be redesigned to capture lead information in exchange for an offer. (Content of value that’s being "offered" on the landing page, like an ebook, a course, or a template. The offer will have enough perceived value to a visitor to merit providing their personal information in exchange for access to it.)
The form of Farline’s landing page will consist of a series of fields that collect information in exchange for the offer. Once a visitor fills this out then we will have a new lead. If we sum it up: Visitor clicks a CTA that takes them to a landing page where they fill out a form to get an offer, at which point they become a lead.

*Ilustración 24: Lead Generation Funnel*

![Lead Generation Funnel](https://blog.hubspot.com/marketing/beginner-inbound-lead-generation-guide-ht)

*Ilustración 25: Lead Generation Strategy*

![Lead Generation Strategy](https://blog.hubspot.com/marketing/beginner-inbound-lead-generation-guide-ht)
10. Marketing Strategies

In order for us to reach the goal of the objectives is by following strategies. In this situation there will be two strategies taken place.

1. Capturing (Prospects)
2. Loyalty (Current Customers)

Both strategies will be directed to two different targets. First is capturing new customers and second is making current customers loyal to the brand.

10.1. Off-line Actions for Capturing and Loyalty

There will be two different actions taken place when it comes to covering off-line channels. These actions play the same role and will be developed the same way when capturing new prospects of the brand and having current customers become loyal to Farline’s new facial line. Since nowadays consumers are becoming more demanding and critical of products and services, both off-line actions have to do with sample kits.

10.1.1. Sample kits will be provide in a specific magazine according to Farline’s target market.

In order to reach potential and current customers, different communication strategies will have to be implemented. Knowing that Farline’s objective is to create awareness of the new facial line, we believe that marketing through magazines will benefit the brand. Currently, magazines are still a media where customers can be reached. Based on a late study and data from Statista, 32% of people in the Spanish population still read magazines. See chart below.
It can be seen that since 2010 there has been a downfall of magazine penetration in Spain; however, there is still some potential left in this source. Besides the exposure that the brand and the new facial line will have in the magazine, there will be small samples of Farline’s products for readers to take.

To begin with, the proposal that will be presented to Farline in terms of reach and logistics, will be not so dramatic and/or massive. Our proposition is for Farline to choose a magazine of its preference, based on the needs/wants and target of the company, that could influence and touch most potential customers. Based on Statista, the most popular magazine in the Spanish population is National Geographic which had a readership of almost 1,6 million readers (weekly). If there are a number of 13,000 magazines produced that Farline has a presence, there will be about 91,000 potential readers (same magazine on an average is read by different people).
10.1.2. **Sample kits, in Cofares’ retailers, to customers who buy facial care products including Farline and other brands.**

The idea of providing sample kits would not only be available in magazines but also in Cofares’ retailers. Since Farline brand just sells through Cofares’ pharmacies, we will like to make a negotiation with them in order to provide sample kits of Farline new facial line products for those customers that purchase any Farline products and any facial care products including other brands.

The proposal to Farline will be to have this action taken place in different and punctual pharmacies in order to have an idea of the marketing potential this will have, and the impact on sales. Conversion rate will be the main focus and results oriented of the strategy since we will considered how many customers walks in the shop and leaves with a sample kit.

It is critical to have an excellent marketing strategy in the shops because that is where most consumers purchase skin care products. In a late study of 12,000 respondents (Spanish Residents) 75% of them buy skin care products in Pharmacies. See chart below
10.1.3. **On-line Actions for Capturing and Loyalty**

For the online channel, there will be two leading actions that will cover the relevant platforms. Both will carry the same objective, to allure new clients and retain the loyalty of existing Farline's facial line customers. Considering that our target market has a significant presence online, the chosen platforms are Facebook and a landing page specially made for the relaunching of the facial line.

Source: https://theculturetrip.com/europe/spain/articles/10-spanish-cosmetic-brands-you-should-know/
10.1.3.1. Facebook

Facebook is a free social network that allows users to create profiles, upload photos, videos, send messages and interact with other users and brands. In Spain, Facebook is considered the social platform with the highest usage within the online active population. The social media will be used to generate engagement with consumers of the brand and to attract the attention of new clients for the Farline facial line.

*Illustration 28: Use of Social Media*

Source: Statista
Farline already has an active Facebook account so in order to not confuse the consumers; the strategies will be applied in this existing page. Because a Facebook business page can assist a brand in a wide range of ways, having one clear objective has a higher probability of being achieved. Therefore, the main goal is to add value to the brand, by increasing the engagement at the page.

Facebook engagement is any type of interaction someone performs on your Facebook Page or in one of the posts. It can be; likes, reactions, shares, comments, and clicks. All these factors together create the engagement rate. Therefore, to increase the rate, the page will initially stop uploading posts about different products of the brand to only focus on the launch of the new facial line.

The content will be curated with the team that developed the new products to include a compelling, helpful and entertaining message. The line of the products; basic, prevention, treating and extra care will categorize these posts. In this way, the consumer will be able to understand the changes and improvements in each product.

The posts to be better ranked will include images, videos, and links that according to Sprout social increases your engagement by 2.3 times, also choosing a clear call to action, in this case leading to the landing page of the campaign. As well as the use of Facebook Page insights to have a further understanding of the preferences of Farline consumers.

Additionally, Facebook ads will be implemented to improve the reach of the Farline Facebook page by using sponsored posts. The option chosen allows the brand to target existing customers or leads, attracting new possible clients thru location, gender, interest, and connections. The campaign is nationwide consequently; the sponsored posts will be made by region and thru tests with different call to actions: landing page and likes at the Facebook page.
This Facebook campaigns will be measured by the increment of the number of likes on the page and the quantity of access at the landing page.

10.1.3.2. Instagram

To approach the younger public Instagram will be the social platform used. Farline already has an active profile so the strategies will be applied in the existing account. According to Statista the platform in September 2017 it had 500 million daily active users. Instagram is at the moment one of the most popular social platforms worldwide and according to Statista and seen in the graph below, 73.4% of social network users affirms that they follow brands because they are interested in the products offered.

Illustration 29: Why do users follow brand on Social Media?

Source: Statista
For the launch of the new facial care line, Farlines's Instagram will focus on the products and be categorized by specialty of each line. Specific hashtags will be created to give support to the posts and to have more connection with the search of the cosmetic industry. These unique hashtags will be the equivalent of the SEM strategy; Farline, Facial care, Facial care creams, facial treatments, and cosmetics. The frequency of postage in the profile will increase to one post daily so the brand can enhance the exposure with the consumers.

Regarding the visual factors, it will follow the same brand identity used on the landing page and the Facebook strategy to create synergy between all the online platforms. Finally, Instagram business will be used to sponsor specific posts. The two models chosen are photos and carousel, which you can upload a collection of pictures and help the consumer to visualize the products you are offering. Both will have a clear call to action leading to the landing page.

**10.1.3.3. Landing page**

For the launch of the new facial line, a landing page will be created to inform consumers about the new product campaign. This page will provide information about the new facial care line and advertise the products by giving a call to action of interest to the visitors. The page will be a simplified version of the official Farline’s website, to reinforce the branding and will be quantified by the total numbers of conversions.

The page will be created with the same visual identity of the website with the purpose of making the connection with Farline easier. It will present the new line of facial cream thru categories of products, show testimonials of consumers talking about the products to convert undecided users and inform very clearly the objective of the page. To gain data information of this leads by offering sample kits as explained before.

To provide a better landing page experience AdWords will be used to match the Farline consumer search query. The selection of words will be made by the relevancy with the products.
According to Ubbersuggest the keywords for Farline landing page with the higher volume of search and best cost per click is: pharmacies’ creams, day and night cream, hydrant crema, hydrant day cream.

In order to evaluate the performance of the landing page, the number of subscribers in the sample kits will analyze the conversion rate. The conversion rate of landing pages has to be taken account by the industry, that according to Unbounce, the health industry is 2.9 as you can see in the chart below.

*Illustration 30: Average lead-generation conversion rates*

![Average lead-generation conversion rates by industry](https://theculturetrip.com/europe/spain/articles/10-spanish-cosmetic-brands-you-should-know/)

Source: https://theculturetrip.com/europe/spain/articles/10-spanish-cosmetic-brands-you-should-know/
Illustration 31: Landing Page

**NUEVA LINEA FACIAL**

Farline lanza su nueva línea de cremas faciales. La crema que siempre queriste pero ahora con una nueva embalaje especial. Sus 3 líneas más amadas: basics, prevención y tratamiento y cuidado facial extra.

**PIDE TU SAMPLE KIT HOY PARA POBRAR Y CONOCER LAS CREAMAS QUE TE VAN A ENCANTAR!**

---

**BASICS**

La línea que te acompaña todos los días.
Esta es perfecta para quien busca cremas que hidrate y productos para limpiar la piel sin alguna necesidad específica. De agua micelar, toallitas desmaquillantes y gel limpiador facial.

**Pide tu Sample Kit**
10.1.3.4. SEO and SEM

Two ways to work with search engines— either by running an ad campaign Search Engine Marketing (SEM) or organically through Search Engine Optimization (SEO).

10.1.3.4.1. Content for Blogs

- Cosmetics
  - Volume of search: 1900
Facial Care
- Search volume: 390
- CPC: $0.82
- 100% of the search is in Madrid

Farline
- Search volume: 1000
- CPC: $0.27
- 80% of the search is in Madrid and 20% in Castilla de la Mancha
- The most related word search is: Sun block

Facial Care creams
- Search volume: 10
- CPC: $0.45
- The search has increased on the months of November to January

Facial Treatment
- Search volume: 3600
- CPC: $1.21
- 70% of the search is in Madrid
- Related words: peeling and wrinkles

10.1.3.4.2. SEO

- Content on our website and social media accounts, will help us rank higher.
- Constantly and consistently posting blogs, and updating our website with relevant content.
- Tagged images, backlinks, valid links, bounce rate, impressions.
## 11. Action Plan

### 11.1. Action Schedule

**Tabla 3: Action Schedule**

<table>
<thead>
<tr>
<th>TASK NAME</th>
<th>START DATE</th>
<th>END DATE</th>
<th>DURATION (WORK DAYS)</th>
<th>DAYS REMAINING</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Brand Review</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Review Products</td>
<td>1/10</td>
<td>15/10</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Decide products</td>
<td>22/10</td>
<td>2/11</td>
<td>12</td>
<td>0</td>
</tr>
<tr>
<td>Hire Brand Agency/meeting</td>
<td>5/11</td>
<td>9/11</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Analyze Agency delivery</td>
<td>23/11</td>
<td>30/11</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>Send review/changes</td>
<td>4/12</td>
<td>4/12</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Final Agency delivery</td>
<td>13/12</td>
<td>13/12</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td><strong>Production</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Purchase of plastic pots</td>
<td>4/12</td>
<td>6/12</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Purchase of promotional samples packing</td>
<td>4/12</td>
<td>6/12</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Print of the new packaging</td>
<td>14/12</td>
<td>20/12</td>
<td>7</td>
<td>0</td>
</tr>
<tr>
<td>Delivery of all packings to laboratory</td>
<td>9/01</td>
<td>11/01</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Final assembly of products</td>
<td>14/01</td>
<td>25/01</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Delivery of products to Cofares Warehouse</td>
<td>29/01</td>
<td>4/02</td>
<td>7</td>
<td>7</td>
</tr>
<tr>
<td><strong>Landing Page</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design Landing Page</td>
<td>10/12</td>
<td>17/12</td>
<td>8</td>
<td>0</td>
</tr>
<tr>
<td>Review landing page design</td>
<td>18/12</td>
<td>20/12</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Approve Design</td>
<td>27/12</td>
<td>27/12</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Build Landing Page</td>
<td>8/01</td>
<td>17/01</td>
<td>10</td>
<td>0</td>
</tr>
<tr>
<td>Launch Page</td>
<td>4/02</td>
<td>4/02</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Analyze Landing Page Results</td>
<td>5/02</td>
<td>15/09</td>
<td>223</td>
<td>223</td>
</tr>
<tr>
<td><strong>Facebook</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analysis of page</td>
<td>17/12</td>
<td>21/12</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Creation of posts</td>
<td>27/12</td>
<td>4/01</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>Analysis of posts</td>
<td>9/01</td>
<td>11/01</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Approved posts</td>
<td>14/01</td>
<td>14/01</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Initiation of campaign</td>
<td>4/02</td>
<td>4/02</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Analyze Page Results</td>
<td>4/02</td>
<td>15/09</td>
<td>224</td>
<td>224</td>
</tr>
<tr>
<td><strong>Instagram</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Analysis of page</td>
<td>17/12</td>
<td>21/12</td>
<td>5</td>
<td>0</td>
</tr>
<tr>
<td>Creation of posts</td>
<td>27/12</td>
<td>4/01</td>
<td>9</td>
<td>0</td>
</tr>
<tr>
<td>Analysis of posts</td>
<td>9/01</td>
<td>11/01</td>
<td>3</td>
<td>0</td>
</tr>
<tr>
<td>Approved posts</td>
<td>15/01</td>
<td>15/01</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>Initiation of campaign</td>
<td>4/02</td>
<td>4/02</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>Analyze Results</td>
<td>4/02</td>
<td>15/09</td>
<td>224</td>
<td>224</td>
</tr>
</tbody>
</table>

Source: Own elaboration
### 12. Financial Plan

#### Tabla 4: Financial Plan

<table>
<thead>
<tr>
<th>Expenses and Provisions</th>
<th>Initial</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Payroll</td>
<td>EUR 1,022,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### Sales 2018
- EUR 1,000,000.00
- 20% investment annual
- Financial Plan
- Tabla 4: Financial Plan

#### Expenses
- Office/Deposits/Laboratory: EUR 17,000.00 - EUR 18,546.10
- Maintenence: EUR 12,000.00 - EUR 12,809.55
- Sales and Marketing: EUR 200,000.00 - EUR 298,889.54
- Insurance: EUR 8,000.00 - EUR 8,539.70
- Total Expenses: EUR 237,000.00 - EUR 306,116.26

#### Personal expenses
- # of employees: 46
- Gross monthly average salary: EUR 63,372.00
- % salary variation: 2.20%
- Gross Payroll: EUR 784,684.00
- % Company Cost: 146%
- Total Expenses: EUR 894,684.00

#### Sales and Cost of Sales
- Total Sales: EUR 2,352,000.00 - EUR 3,289,303.99
- Cost Of Sales: EUR 940,800.00 - EUR 1,315,721.59
- % Gross Margin: 60% - 60%
- % Gross Margin: 60% - 60%
### Financial Statements

#### Balance Sheet

<table>
<thead>
<tr>
<th>Asset Group</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>EUR 1.088.071,89</td>
<td>EUR 1.094.716,48</td>
<td>EUR 594.716,48</td>
<td>EUR 1.088.071,89</td>
<td>EUR 1.094.716,48</td>
</tr>
<tr>
<td><strong>NON CURRENT ASSETS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible assets</td>
<td>EUR 1.411.200,00</td>
<td>EUR 1.411.200,00</td>
<td>EUR 1.411.200,00</td>
<td>EUR 1.411.200,00</td>
<td>EUR 1.411.200,00</td>
</tr>
<tr>
<td>Long term monetary</td>
<td>EUR 152.491</td>
<td>EUR 152.491</td>
<td>EUR 152.491</td>
<td>EUR 152.491</td>
<td>EUR 152.491</td>
</tr>
<tr>
<td>Accumulated depreciation</td>
<td>EUR 683.300</td>
<td>EUR 683.300</td>
<td>EUR 683.300</td>
<td>EUR 683.300</td>
<td>EUR 683.300</td>
</tr>
<tr>
<td><strong>CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Trade debt</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
</tr>
<tr>
<td>Non-current debt</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
</tr>
<tr>
<td>Equity</td>
<td>EUR 1.000.000,00</td>
<td>EUR 1.000.000,00</td>
<td>EUR 1.000.000,00</td>
<td>EUR 1.000.000,00</td>
<td>EUR 1.000.000,00</td>
</tr>
<tr>
<td><strong>NON CURRENT LIABILITIES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND EQUITY</strong></td>
<td>EUR 2.411.200,00</td>
<td>EUR 2.411.200,00</td>
<td>EUR 2.411.200,00</td>
<td>EUR 2.411.200,00</td>
<td>EUR 2.411.200,00</td>
</tr>
<tr>
<td>Cash</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
<td>EUR 0,00</td>
</tr>
</tbody>
</table>

#### Cash Flow

<table>
<thead>
<tr>
<th>Cash Flow Statement</th>
<th>2023</th>
<th>2022</th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>INITIAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Amortizations suma</td>
<td>EUR 352.800,00</td>
<td>EUR 256.368,00</td>
<td>EUR 290.027,64</td>
<td>EUR 290.027,64</td>
<td>EUR 280.676,48</td>
</tr>
<tr>
<td>Accumulated balance</td>
<td>EUR 9.800,00</td>
<td>EUR 9.996,00</td>
<td>EUR 10.195,92</td>
<td>EUR 10.399,84</td>
<td>EUR 10.607,84</td>
</tr>
<tr>
<td>OPERATIONAL CASH FLOW</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditures</td>
<td>EUR 1.538.208,00</td>
<td>EUR 4.988,20</td>
<td>EUR 263.726,12</td>
<td>EUR 10.399,84</td>
<td>EUR 10.607,84</td>
</tr>
<tr>
<td>EBIT</td>
<td>EUR 53.244</td>
<td>EUR 534.713,69</td>
<td>EUR 388.770,00</td>
<td>EUR 522.000,00</td>
<td>EUR 512.339,00</td>
</tr>
<tr>
<td><strong>CASH FLOW</strong></td>
<td>EUR 200.698</td>
<td>EUR 50.978</td>
<td>EUR 257.686</td>
<td>EUR 403.990,03</td>
<td>EUR 411.948,00</td>
</tr>
</tbody>
</table>

### Additional Information

*Adriana Gamez*

*Karla Martin*

*Juliana Scalco*
<table>
<thead>
<tr>
<th>Employees Category</th>
<th>#</th>
<th>Salary</th>
<th>Monthly</th>
<th>Year</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager</td>
<td>1</td>
<td>€ 6,000</td>
<td>€ 600</td>
<td>€ 72,000</td>
<td>€ 72,000</td>
</tr>
<tr>
<td>Logistic manager</td>
<td>2</td>
<td>€ 2,500</td>
<td>€ 250</td>
<td>€ 30,000</td>
<td>€ 30,000</td>
</tr>
<tr>
<td>RHM</td>
<td>2</td>
<td>€ 1,500</td>
<td>€ 150</td>
<td>€ 18,000</td>
<td>€ 18,000</td>
</tr>
<tr>
<td>Finance</td>
<td>1</td>
<td>€ 2,000</td>
<td>€ 200</td>
<td>€ 24,000</td>
<td>€ 24,000</td>
</tr>
<tr>
<td>Marketing Coordinator</td>
<td>1</td>
<td>€ 2,000</td>
<td>€ 200</td>
<td>€ 24,000</td>
<td>€ 24,000</td>
</tr>
<tr>
<td>Designer</td>
<td>1</td>
<td>€ 1,400</td>
<td>€ 140</td>
<td>€ 16,800</td>
<td>€ 16,800</td>
</tr>
<tr>
<td>Marketing and Sales employees</td>
<td>16</td>
<td>€ 1,500</td>
<td>€ 150</td>
<td>€ 18,000</td>
<td>€ 18,000</td>
</tr>
<tr>
<td>Machine operator</td>
<td>2</td>
<td>€ 1,000</td>
<td>€ 100</td>
<td>€ 12,000</td>
<td>€ 12,000</td>
</tr>
<tr>
<td>Total</td>
<td>46</td>
<td>€ 19,559</td>
<td>€ 1955</td>
<td>€ 234,793</td>
<td>€ 234,793</td>
</tr>
</tbody>
</table>

### Theory

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>WC</td>
<td>3.60%</td>
</tr>
<tr>
<td>Average % Variable Cost</td>
<td>49%</td>
</tr>
<tr>
<td>Cosmetics Tax</td>
<td>21%</td>
</tr>
</tbody>
</table>

### Debt Payment

<table>
<thead>
<tr>
<th>Year</th>
<th>Payment</th>
<th>Interest</th>
<th>Amortization</th>
<th>Capital</th>
<th>Capital Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>EUR 122,000.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1</td>
<td>EUR 74,973.88</td>
<td>EUR 16,100.00</td>
<td>EUR 58,273.88</td>
<td>EUR 263,726.12</td>
<td>EUR 263,726.12</td>
</tr>
<tr>
<td>2</td>
<td>EUR 74,973.88</td>
<td>EUR 16,184.31</td>
<td>EUR 58,787.58</td>
<td>EUR 225,538.54</td>
<td>EUR 406,254.65</td>
</tr>
<tr>
<td>3</td>
<td>EUR 74,973.88</td>
<td>EUR 16,268.93</td>
<td>EUR 59,244.94</td>
<td>EUR 198,291.58</td>
<td>EUR 594,359.23</td>
</tr>
<tr>
<td>4</td>
<td>EUR 74,973.88</td>
<td>EUR 16,353.58</td>
<td>EUR 59,719.30</td>
<td>EUR 171,002.27</td>
<td>EUR 793,588.50</td>
</tr>
<tr>
<td>5</td>
<td>EUR 74,973.88</td>
<td>EUR 16,438.23</td>
<td>EUR 59,535.65</td>
<td>EUR 153,713.92</td>
<td>EUR 993,828.75</td>
</tr>
</tbody>
</table>

Source: Own elaboration
12.1. Marketing budget

Tabla 5: Marketing Budget One Year

<table>
<thead>
<tr>
<th>Campaign Type</th>
<th>QTY</th>
<th>Project Cost per unit</th>
<th>Projected Total</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Local Marketing:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Magazine (1/2 page):</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diez Minutos</td>
<td>12</td>
<td>9.250,00 €</td>
<td>111.000,00 €</td>
<td>Weekly periodicity</td>
</tr>
<tr>
<td>EGO</td>
<td>4</td>
<td>7.425,00 €</td>
<td>29.700,00 €</td>
<td>Monthly periodicity</td>
</tr>
<tr>
<td>Sample KIT in Magazines</td>
<td>64</td>
<td>2,00 €</td>
<td>128,00 €</td>
<td></td>
</tr>
<tr>
<td>Sample KIT in stores</td>
<td>30000</td>
<td>2,00 €</td>
<td>60.000,00 €</td>
<td>1200 pharmacies on Spain, taking into account that we sell aprox. 50 products per month</td>
</tr>
<tr>
<td>Content Marketing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Landing Page</td>
<td>12</td>
<td>100,00 €</td>
<td>1.200,00 €</td>
<td></td>
</tr>
<tr>
<td>Social Media:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Facebook</td>
<td>12</td>
<td>250,00 €</td>
<td>3.000,00 €</td>
<td></td>
</tr>
<tr>
<td>Instagram</td>
<td>12</td>
<td>250,00 €</td>
<td>3.000,00 €</td>
<td></td>
</tr>
<tr>
<td>Online:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Blog</td>
<td>12</td>
<td>300,00 €</td>
<td>3.600,00 €</td>
<td></td>
</tr>
</tbody>
</table>

Source: Own Elaboration

This marketing budget will increase each year according to the financial plan shown above.

13. Controls

13.1. Define KPIs & Conversions

13.1.1. Leads

As it is previously mentioned in the marketing objectives and strategies, this KPI is relevant in the marketing proposal that we are providing Farline since we are focusing on creating awareness of the new facial line. For 2019, the number of inquiries/leads needed to reach the monthly revenue target is about 800 leads per month on average. This number of leads is based on the industry Farline focuses on and the target market of the new facial line.
13.1.2. Pages/Visits

In the case of creating awareness and generating leads for the new facial line, this KPI pages/visit is a good indicator because it let us know how many pages are visit within a single session. In other words, single user enters Farline’s website and not only stays on one page but they clearly have interest and still go through other pages to review the brand or products. This is a really good way to know if the users are engaged and interested in the brand.

13.1.3. Bounce Rate

One of the best indicators of how the website is performing is bounce rate. Our proposal to Farline on how to keep track of users and lead acquisition will focus on KPIs like bounce rate because it says how many users have entered the website but left without having any interactions. We are expecting to have a bounce rate between 39-57% in order to have acceptable conversions and acquisition.

13.1.4. New Visitor:

There are many factors and KPIs that could indicate us how the website is performing. However, there is one KPI (new visitor) that will let us know of new users on a specific device. This is relevant to know because there has been an increased on mobile interactivity comparing to desktop and thanks to this metric, Farline can set up different marketing strategies for both channels.
13.1.5. Sessions:

As an overall, there is a better way to know the traffic of the website by looking at sessions. This KPI will compare the number of new visitors versus repeat visitors. For Farline, it is important to have a good number on both (new visitors since they are trying to capture new customers, and repeat visitors since Farline wants to create loyalty within the consumers).

13.1.6. CTR

In order to meet the objectives that Farline is trying to accomplish, a good KPI on the on-line perspective is Click Through Rate. It will let us know how well the keywords and specific ads are performing in the site. Besides revenue, this is one of the most essential KPI of on-line performance. Farline should focus on getting an average CTR between 0.70% and 2% in order to have good results.

13.1.7. NPS

Is a the key measure of your customers’ overall perception and loyalty of your brand. Because NPS is a leading indicator from growth, it provides the best anchor for your customer experience management (CEM) program, is the core metric. NPS works using the answer to a key question, using a 0-10 scale: How likely is it that you would recommend brand to a friend or colleague.

Respondents are grouped as follows:

- Promoters (score 9-10) are loyal enthusiasts who will keep buying and refer others, fueling growth.
- Passives (score 7-8) are satisfied but unenthusiastic customers who are vulnerable to competitive offerings.
- Detractors (score 0-6) are unhappy customers who can damage your brand and impede growth through negative word-of-mouth.

Subtracting the percentage of Detractors from the percentage of Promoters yields the Net Promoter Score, which can range from a low of -100 (if every customer is a Detractor) to a high of 100 (if every customer is a Promoter).

14. Conclusions

A detailed analysis of the opportunities that Farline has in the market is supported by data analysis and recommendations based on previous and current results in the industry. The analysis illustrates the potential that a company like Farline has to increase sales by focusing on creating awareness and generating leads.

After a thorough review, we have determined that Farline have to create strategies and plans covering the off-line and on-line audiences in order to maintain and increase sales. As it is mentioned before, objectives will be focused on creating awareness and generation of leads. KPIs are evaluated in order to measure the website performance as well as consumer behaviour. Marketing strategies are carefully analyzed, which let us determined that capturing (prospects) and loyalty (current customers) are key on meeting goals and objectives.

The mentioned strategies helped us determined and developed the actions taken in the marketing plan. Not only offline actions are important to Farline today, but online actions as well. As per offline actions, sample kits will be created to be distributed in magazines and Cofares pharmacies. In this way, current and potential customers will sample the quality and affordable products that Farline has to offer; therefore, become Farline product lovers. As per online actions, social media will be one of the main sources when it comes to communicate the product to the final consumer. Facebook and Instagram will both be included in the communication strategy. Landing Page takes the main focus since we want to generate leads.
And SEO & SEM strategy will be developed and will change from time to time based on the products and any changes Farline will go through the year.

We believe Farline has great potential on the facial care industry. After analyzing the company’s performance and the opportunity Farline has in the market, we have forecasted total sales of 2,352,000€ on 2019. The company should pursue the proposal and approach described in this report in order to increase awareness and sales of the brand.

15. Biography:

- https://www.neutrogena.com/about-us.html
- http://www.laroche-posay.es/?gclid=Cj0KCQjwmPPYBRCgARIsALOiA0-3hXJLCxyC6CU2VTWj1qIvLbBjhnOTIp-DLMFIVLeaVR_idLsaAkDvEALw_wcB
- https://www.datosmacro.com/pib/espana
- https://www.cofares.es/rse
- https://www.focus-economics.com/country-indicator/spain/retail-sales
- https://sproutsocial.com/insights/facebook-marketing-strategy/
- https://www.omnikick.com/facebook-marketing-strategies/
- https://blog.hootsuite.com/how-to-advertise-on-facebook/
- https://www.quicksprout.com/landing-page-optimization-chapter-1/